

**EPA NATIONAL STUDY OF POTENTIAL IMPACTS OF  
HYDRAULIC FRACTURING ON DRINKING WATER RESOURCES  
PROSPECTIVE CASE STUDY WITH CHESAPEAKE ENERGY CO  
STATUS UPDATE – JULY 12, 2012**

Recent Chronology of Communication with Chesapeake Energy Co. (CHK)

6/25/2012 – EPA requested clarification of what CHK would like for documentation of the insurance indemnification.

6/27/2012 – CHK responded with a request for EPA's contract language on insurance with our prime contractor (E&E), as well as the contractor's insurance policy language.

Status of Current Efforts on Indemnification

- EPA's Contracting Officer initially stated the contract language was CBI.
- After providing feedback from OGC, the Contracting Officer provided the insurance requirements portion of the contract yesterday (7/11/12)
- EPA and E&E confirmed yesterday that E&E will send their insurance information to EPA today (7/12/12). The content has not yet been determined. It will include the contract coverage limits (\$15 million) and a statement that they will add CHK as an additional insured on the policy.
- The contract language from EPA and the insurance language from E&E will be provided to CHK either late today or tomorrow (7/13/12)
- EPA **COULD** develop a directive to E&E instructing them that the drilling subcontractor

(b) (5)

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